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**CHAPTER 1. OVERVIEW NASA’S MANAGEMENT OF GRANTS AND COOPERATIVE  
AGREEMENTS**

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## CHAPTER 1. OVERVIEW NASA'S MANAGEMENT OF GRANTS AND COOPERATIVE AGREEMENTS

### 1.1 OVERVIEW.

- 1.1.1 The purpose of this chapter is to set forth policies for National Aeronautics and Space Administration's (NASA) financial management of grants and cooperative agreements with regard to advance payments as prescribed by Department of the Treasury Circulars and Manual, and Office of Budget and Management (OMB) Circulars. The management of financial transactions between NASA and grantees and recipients is covered in NASA Financial Management Requirements, Volume 6. Other management and financial issues are addressed in NASA Procedural Requirements (NPR) 5800.

### 1.2 POLICY.

- 1.2.1 NASA policy is that payment methods shall minimize the time elapsing between the transfer of funds from the U.S. Treasury and the redemption of checks, warrants, or payment by other means by the recipients. Specifically, this policy will apply to agency advance payment to recipients, administering Letter of Credit, administrative and review actions, and instructions to recipients by NASA.
- 1.2.2 NASA will use the Department of Health and Human Services' Payment Management System (DHHS/PMS) to provide advance payments of Federal funds to educational organizations, other public or private organizations, and state and local governments.

### 1.3 AUTHORITIES AND REFERENCES.

- 1.3.1 Department of Treasury Circular No. 1075, (Fourth Revision, Appendix 1). This Circular is designed to improve the timing of cash advances by minimizing the time between the transfer of funds by the U.S. Treasury and the redemption of funds by the recipients.
- 1.3.2 Treasury Financial Manual, Volume I, Part 6, Chapter 2000, as revised. This manual requires that cash withdrawals occur only when essential to meet the actual disbursement needs of recipient organizations.
- 1.3.3 OMB Circular No. A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations. The purpose of the OMB circular is to achieve uniformity in recipients' financial reporting to Federal agencies.
- 1.3.4 DHHS/PMS, whose mission is to provide grant-type payments, cash management, and grant accounting support services to HHS and other Federal agencies.

1.3.5 NPR 5800, "Grant and Cooperative Agreement Handbook," which provides guidance on pre-award and post-award administrative and financial management.

1.3.6 NASA Financial Management Requirements, Volume 6, which provides guidance on handling of grants and cooperative financial accounting.

1.4 ROLES AND RESPONSIBILITIES.

1.4.1 Agency Chief Financial Officer (CFO)/ Deputy CFO. Shall ensure that NASA and its recipients meet Department of Treasury and OMB advance payment requirements.

1.4.2 Recipients. Shall comply with NASA/DHHS/PMS requirements when submitting requests for advances for grants and agreements with NASA.

1.4.3 Center CFOs and the NASA Shared Services Center (NSSC). Shall ensure compliance of recipients with DHHS/PMS requirements.